

LOWELL SMITH DILLINGHAM

THE WATUMULL FOUNDATION ORAL HISTORY PROJECT

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(1911 - 1987)

Lowell Dillingham, eldest child of Walter and Louise Dillingham, recalls a happy childhood at the family homes on Punahou Street with several cousins, children of his uncle Harold Dillingham and his aunt Marion Erdman. He describes his early education at Lanai and Punahou Schools, prior to his attending schools in California and the East.

Mr. Dillingham discusses the growth of the Hawaiian Dredging Company, particularly during World War II, and the evolution of the Dillingham Corporation, whose activities reached international scope following the war. The development of Ala Moana Shopping Center was the culmination of a longtime idea of Mr. Lowell Dillingham's that was strongly supported by his father.

Along with his involvement in community activities, Mr. Dillingham has continued another family tradition with his lifetime interest in horses. He tells of his father's breeding of polo ponies and shares some of his father's views, as well as his, regarding the future of Hawaii.

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INTERVIEW WITH LOWELL SMITH DILLINGHAM

At his Ala Moana Building office, Honolulu, Hawaii

November 18, 1986

D: Lowell Dillingham

S: Alice Sinesky, Interviewer

D: This is Lowell Dillingham speaking and I was born in 1911 in the family home at the corner of Punahou and Beretania Street, which is now the Central Union Church. My grandparents lived right next to us in a little house and next to them the Harold Dillinghams and the John Erdmans. This took up about half of the block between Alexander and Punahou on Beretania Street.

There were no fences dividing the homes and it just happened that our families--the Erdmans, the Harold Dillinghams, and ourselves--more or less had children about the same time so we had a great time playing in a yard that was a whole block long and a half a block wide. The fondest memory I have of playing with all my cousins was around the various roads we had within the area. Of course, we all had bicycles and scooters of different kinds. It really was a very happy early childhood.

I was five years old before my brother Ben was born but I remember that occasion very definitely because I was having a statue cast at our Diamond Home of my grandmother's called Naminohana, which we called the Japanese garden. I was posing for this fountain statue when the word came in that my brother Ben was born.

One thing I remember very clearly living in the old Punahou house was that on many evenings I would walk down to the corner of Keeaumoku and Beretania Street to meet my father who was then driving a wonderful, old (it wasn't old at that time, of course) delightful Chandler. I would meet him on the corner and then ride home with him. It was about two blocks.

I remember wondering because the road was a coral road with a great many chuck holes and bumps, I was wondering at the time whether anyone would ever develop a suitable type of material for roads that wouldn't be quite so bumpy. Little did I realize that I one day would be president of the

Hawaiian Bitumuls, which still today does a great deal of the paving of roads and airports. I remember very distinctly wondering if someone would ever come up with a smooth surface because those bumps were so terrible.

The house was sold when I was about ten years old. I might go back a little further because I think it's quite interesting. My father and mother had met here in Honolulu about 1910. My mother was on her way around the world with her mother. My father was a bachelor at age thirty-five; my mother was twenty-five. She had a letter of introduction to my father which she presented to him at a polo game at Moanalua. That's where the old polo field was, in Moanalua Valley. That was when they met and she was here for three days on her way around the world with her mother on a ship. When my father saw her off, he said, "Goodbye, Miss Gaylord." She said, "Goodbye, Mr. Dillingham," and they shook hands formally and off she went, continuing on her way around the world.

The day before she got to Yokohama she received a wire from my father saying, "Will you marry me?" She wired back, "Delighted." There was a good deal of correspondence between the two of them, apparently, because it was decided that they would meet in Florence, Italy, where my mother's family had a home called La Pietra. It was decided that they would meet there and be married, and that she would continue on around the world and my father would go the other way, through Chicago, my mother's home.

My mother, who was a wonderful woman and very positive, had very definite ideas about certain things. One of them was that there was only one jeweler in the world worth considering and that was Cartier in Paris. My father was instructed that if he was going to get an engagement ring, it should come from Cartier in Paris. On his way he stopped in Chicago, which was where my mother's home was, and met the family and then continued on to meet with Mr. Pierre Cartier in Paris on his way to Florence, Italy.

In the meantime he had discussed with Mr. Cartier the question of a ring. My mother wanted a square cut diamond ring. Mr. Cartier said that they had never cut one but that they would be delighted to do so and if he didn't like it when he got to Paris and saw the ring, he wouldn't have to take it. He stopped in Paris and met Mr. Cartier and loved the ring; took the ring on. That was the first square cut diamond ring that Cartier had ever cut.

They were married in Florence, Italy, and I think a very interesting part of that was that at that time (this was 1910) there were over fifty people at the wedding from Hawaii. It seems remarkable to think that there just

happened to be or that there were enough people from Hawaii to amount to fifty.

S: Approximately how long did it take from the time they met here for all these arrangements to be made?

D: I don't know exactly but I think it was probably three or four months because they were married in May and, I believe, it was in January or February that she was on her way around the world. It was a very quick wedding, but my father always said that the minute he met her he realized that she was the only woman he'd ever met that he wanted to marry, and after thirty-five years I guess he was an expert.

 Then they came back to Honolulu and I was born a year later. Nineteen eleven. And as I said earlier, for five years I was the only child. Then my brother Ben came along five years later, then a year and a half after that my brother Gay and then my sister, who is ten years younger than I, was the last one.

S: I had heard the story that when your mother and father were married in Florence, Italy, at La Pietra, your father promised your mother that he would build her a replica of that villa in Honolulu.

D: That's not quite a true story. My mother, though, from day one when she saw the old house at the corner of Punahou and Beretania Street, decided that was not for her and it was soon after they were married that they started looking for a "suitable home." My father was fortunate to find about twenty acres of land on the slopes of Diamond Head. At that time it was considered country and too hot and nothing would grow on Diamond Head, and it was pretty ridiculous to think of building a home on Diamond Head.

 But my mother was a pretty positive person and wanted an Italian villa. Again, she was sure that there was only one architect in the world and that was David Adler of Chicago, who of course at that time and subsequently became a very famous architect. He never came to Hawaii though and never saw La Pietra until many years after it was finished. All of it was designed and built with pictures and correspondence between Chicago and Honolulu.

 The name La Pietra came from the villa where they were married. It was not a copy of the villa La Pietra; however, there were features of two or three other villas in Italy that Mr. Adler was familiar with that were incorporated. This was added to the ideas that my father and mother had. There was no court, as an example, in the original La Pietra. It was a square box. The La Pietra at Diamond Head that they built had a court. That was the story of La Pietra. While it was being built, the old home was sold to Central Union

Church and for about a year and a half or two years the family lived at the Japanese garden of my grandmother out on Diamond Head Road.

We were all born, however, in the old house, which we called the Punahou house. We were all born there and we were all born on a Saturday so I guess that was an indication that we were all going to have to work for our living. (laughter)

My first school was the old Lanai School. Miss Maxwell was the head mistress of the school.

S: And that was down on Kewalo Street?

D: Later it was on Kewalo Street. Before that was built on Kewalo Street we went to school where the YWCA is now. We went there for a year or two and then it was moved out to Punahou Street just opposite our home, which is now the Children's Hospital.

S: The Shriners' Hospital?

D: Yes, the Shriners' Hospital. So we went to school there for a year or two, crossing Punahou Street and playing in our yard for our exercise. The school was there while they were building the Lanai School on Kewalo. That property had been a cow pasture. I believe it had been part of the Clarence Cooke property. From Punahou Street I moved with Lanai up to Kewalo Street and was there several years until I moved to Punahou. I then was at Punahou until high school, then I went for a year to a school in California called Montezuma where there were a great number of children from Hawaii; Dick Walker, Cedric Woodhouse, and the two Kimballs--Richard and George, and a number of others from Honolulu including my cousin Walter Dillingham. I was there only for a year as my mother wanted me to go to an Eastern school, but was having trouble getting me into an Eastern boarding school. She finally got me into Middlesex School although she had wanted me to go to St. Paul's. I had not applied early enough so I never made St. Paul's. My brother Ben did.

I went to Middlesex for four years; graduated from Middlesex and then went on to Harvard where I had four grand and glorious years, but did not graduate. When I returned home, as you can imagine, my father was anything but happy with my educational experience. I remember so well the first breakfast we had when he said, "If you think you're going back to Harvard to graduate, you're wrong. Your education has finished and if you want a job, I can perhaps help you get a job either with the Hawaiian Dredging Company or the Oahu Railway." He was president of both of them. He said, "Probably a deckhand on one of the dredges if you select Hawaiian Dredging Company, or a brakeman on the railroad if

you would like to work for the Railway." I said, "I'll let you know in the morning."

The next morning at breakfast I had selected Hawaiian Dredging Company. I had worked during the summers on several dredges so I was more familiar with the dredging business than I was the railroad. He said, "If you will contact Mr. Manuel Costa, who is general superintendent of the big Pearl Harbor job, perhaps he will find a place for you as a deckhand on a dredge."

The next morning I was down early to meet Mr. Costa, who was a wonderful gentleman, and he offered me a job as an oiler on the dredge Atkinson. He thought I had spent enough summers as a deckhand and that I was entitled to become an oiler. I started as an oiler at forty cents an hour. We worked only six hours a day so it wasn't very much money at the end of the week. I found that at the Royal Hawaiian, which had dancing every Saturday night, I could spend more than I made during the whole week on the dredge.

But I had a very interesting experience and met a lot of wonderful men on the dredge and we became great friends. Over the years I had most of the jobs on most of the dredges and finally became an operator of several of the dredges. By the time the war came along, I was superintendent of dredging at Pearl Harbor. This was a job that was the first cost plus fixed fee contract that the Navy had ever let. It was an idea that Admiral Ben Morrell conceived of as a way of expanding work without going through all the process of bidding and so forth. It was in anticipation of a possible war so that this cost plus fixed fee was his concept and, actually, it was a forerunner of the Navy Seabees who took over from us after three or four years.

But during the time that we were on the cost plus fixed fee contract--it started with three contractors--the Raymond Concrete Pile Company of New York, the Turner Construction Company of New York and the Hawaiian Dredging Company--were awarded about a \$15 million job to start. This \$15 million grew to eight contractors with over a billion dollars.

S: Oh, in those days...

D: It was a lot of money. It was a wonderful way of handling emergency work as you can imagine. For instance, when the Navy decided that they wanted to build an airfield on Maui, we got a change order that said, "Build one Naval Air Station at Kahului, Maui." That was the change order. There was no question of plans; there weren't any plans; we just built a naval air station. And that happened throughout the term of our contract.

I was superintendent of dredging at Pearl Harbor on December 7th. I was down with my father and my wife at our country place near Mokuleia and we were having breakfast outside when two of these planes flew very low. One of them seemed to be obviously a B-17. The other one was a little silver plane with a red (what I thought was a target on the side) and they were firing as they went by--at least the silver plane was--over the top of the cane fields. I being a know-it-all said, "That must be a target plane that they're taking out to the end of the Island to do a little practice."

It was some minutes--maybe fifteen or twenty minutes--before our stable foreman came in and said that he had turned on the radio and that this was a Japanese attack. I left immediately for Pearl Harbor. The radio was announcing that this is the real McCoy. Take cover. Telling every one to stay off the road. As a result, my trip from Mokuleia to Pearl Harbor was a very quick one. I don't remember passing a single automobile on the way. As I came past Schofield Barracks it was a mass of flames. As you come over the hill at Wahiawa you can see Pearl Harbor. Pearl Harbor, as you've seen in most of the pictures, was a mass of smoke, flames and a disaster.

When I got to Pearl Harbor, the Marines at the gate were waving anyone in that was anxious to go into Pearl Harbor (laughs) so I got in there without any trouble. I went down to my office which faced out towards the entrance to Pearl Harbor. One of my associates, who had been on the midnight shift, had seen a small submarine surface just in the Pearl Harbor channel outside our office and had reported it to the officer in charge who said he must be dreaming and go back to sleep. The little submarine was one of those two-man submarines and was later sunk when it got to Ford Island. Of course, by that time all hell had broken loose with the dive bombers and so forth.

We had the dredge Atkinson working in the submarine base. When I went over to the dredge that morning, the captain who had been on the bridge of the dredge said that most of the planes had come over the top of our dredge so that you could see the men flying the planes and some of them dropping these fish, and they did an excellent job of destroying everything.

The fortunate thing was that none of our equipment was damaged at all. We had so much equipment that the Navy asked me if I would become attached for a few weeks to the salvage captain who was flown in from the coast. An expert on salvage. I worked with him and it was a fascinating experience. I was on every ship that was afloat and we supplied pumps trying to save the California that was sinking. We got the pumps there all right, but as we pumped

out the various sections, watertight sections, they would collapse from the pressure of the water. With all the pumping that we did we couldn't keep her from going down in the mud. The morning that I first went on the California the main deck was perhaps ten feet above water. By the time she finally settled not only was the main deck below water but the gun turrets were awash. She just settled quietly into the mud.

There were lots of tragic sights. Our tugboats that were quite active in the harbor picked up many who had been killed in the attack and some that had not been. The first job that we were given was to try and get the Tennessee out from the moorings. She was moored between two very large concrete moorings and when the West Virginia that was moored outside of her rolled over, it pushed her so that the belly of the Tennessee was between the two moorings and you couldn't move her either way.

We were asked to remove one of the moorings so as to be able to pull the Tennessee out because she was the least damaged they thought at the time. She had been hit at (I think it was the stern end) so she was not undamaged, but they felt perhaps that she could be repaired the quickest so we were to take her out.

Well, we worked twenty-four hours a day removing this block of concrete so that we could pull her forward and during the first night, particularly, we had several false alarms during which all lights had to be extinguished and we all stopped working. I then determined that we were going to have to use some dynamite because otherwise the war would be over before we could get rid of that mooring.

When I told the captain of the Tennessee that I was going to use a lot of dynamite, he was a little concerned for his ship. He asked me how many pounds I was going to use. I told him that I wasn't counting; I was drilling as many holes as I could in this thing and filling them up with as much powder as I had, which made him very nervous. It made me somewhat nervous but I pretended to be very casual about it. When we were ready, I climbed up the rope ladder to the deck of the Tennessee and signaled to the captain and I was the loneliest man in the world because I was the only one on deck. Everyone else had disappeared into the Tennessee. (laughs) I waved my hand and with that dove under the gun turret and we sent concrete from one end of the Tennessee to the other. (laughs) Needless to say we didn't do any damage to the Tennessee and we were able to speed up the demolition of this mooring.

We then brought a dredge in working on wires so that we could control the movement of the Tennessee as we pulled her out. We figured there was about a two-foot clearance

between the concrete piles of this mooring and the outboard prop of the Tennessee which we didn't want to damage. We were successful in doing that.

Now while we were working both night and day there were salvage crews working on the West Virginia which had rolled over and whenever they heard a tapping on the bottom of the West Virginia there were welders with cutting torches to cut holes and out would pop...I don't know how many they saved that way, but it was amazing how many when the ship rolled over, were able to find their way up to the bottom of the ship in an air bubble until they could be cut loose. So for two or three weeks we worked very closely with the Navy on salvage after which, of course, things calmed down and we went back to dredging.

I was called in in February by my boss, who was project manager of all dredging in the Pacific for the Navy, and told that the Navy wanted an air station built at Johnston Island. I said, "Where in hell is Johnston Island?" Well, they brought out a map showing me that it was about 1,000 miles south of here. I believe at the time we started, there was about fifteen acres of sand and gooney birds--all kinds of birds really. We had already under the same contract dredged a channel into the lagoon, but of course there was no runway.

A Japanese submarine during the attack on Pearl Harbor had fired on Johnston Island. To give you an idea of how ill-prepared we all were, the only rebuff we had were 400 Marines down there on Johnston Island with three (I think there were three) five-inch guns that were still on their wooden platforms that they had been shipped out on. Our crews would push the guns up to the top of the sand dune and fire at the submarine and then the recoil would push it down back off the hill. So we'd push it back up again with these bulldozers we had.

I was there for about six months building this runway. It seemed to me that we weren't making any headway because as fast as we'd get near to the completion, they'd want it extended so we'd have to extend it a little further. Then one day I received word that I was to report to Pearl Harbor and that Mr. Windsley would take my place at Johnston Island and I would go back to Pearl Harbor, which I did.

My boss called me in and said that he had enlisted in the Navy and that as of that moment I would be project manager of all dredging in the Pacific. From then until the end of the war I was busy rebuilding Midway, widening the channel at Midway, finishing Johnston Island, building ME-6, which was the code name for French Frigate Shoals, which we built out of nothing. We had to drive sheet piles and when we finished with the dredge putting coral inside this sheet

pile area, we had a runway that looked like the top of a carrier.

It was built so that the fighter planes could go from Kaneohe or Pearl Harbor to Midway and have a stop. They found that the flight to Midway was pretty fatiguing. It was one of the problems during the Battle of Midway. There wasn't any place. The planes had to fly all the way to Midway and by the time they got there the pilots were pretty tired. Midway was quite a wreck after the battle, but we cleaned that up and widened the channel there and I had really a very busy time from then until the end of the war after which, of course, the--really before the end of the war--Seabees came in and they took over areas that were under attack or areas that we were attacking like Kwajalein and places like that. The Seabees went in. Civilians did not go in. Little by little the Seabees took over the work we were doing.

That was pretty much the end of the war. That was really a very fascinating and tragic period of time, but very interesting and, of course, by the time we got through building all the things the Navy wanted to build there wasn't very much for any dredges to do so we got out of the dredging business.

At the same time our affiliated company, the Hawaii Contracting Company, had just been taken over by the Army and the Army moved themselves into Punahou School thinking it was the University and we lost all of our equipment. So when the war was over we had Hawaiian Dredging Company with money and dredges, but nothing to do, and the contracting company that had money and no equipment but lots to do, so we merged the two companies. That became the Hawaiian Dredging and Contracting Company.

Soon after that we merged with Young Brothers and then in 1961 we created the Dillingham Corporation which was a merger of the Oahu Railway and Land Company and Hawaiian Dredging Company. Both companies were interested in land. The Railroad was out of business because of the trucking competition and we got permission from the interstate commerce to abandon the railroad. We ended up with a construction company with no work for the dredges to do and no railroad but land to develop. So the fifty years that I spent with the Hawaiian Dredging Company and then later the Dillingham Corporation were in expanding the company to work elsewhere.

We had three jobs in the Suez canal. We towed my namesake, the Lowell Dillingham, to the Suez and widened the Suez Canal. I used to go around the world twice or three times a year to pay a visit to these jobs. We did a job with the Pomeroy Company in building the main harbor at Kuwait.

We did some work at Daman and later jointly with them the big oil base for Iran. This was all a result really of having had some experience in working on difficult places in the Pacific. It was the result of our experience and our association with J. H. Pomeroy that we formed a joint venture and did a lot of work in the Middle East at that time.

S: And this would have been during what? The sixties? The seventies?

D: I'll have to look at the contract on the wall out there as to just when it was but it was a very busy time. Really it all sort of started when one of my colleagues came in one day and saw me sitting and doing nothing. He said, "Why don't you get off your chair and get going?" I said, "Well, I think you've got a point, but before we get through you're going to wish we hadn't gotten going." Some years later he came in and said, "You said it. You've exhausted me and I'd like to retire." (laughs)

S: That pretty much covers the business aspect of it, but we want to cover the personal aspect of it, too. Going back to your personal life, I get the feeling that you just didn't care for school.

D: I didn't care at all for school. I was busy at Harvard playing polo and in my freshman year I rowed and was on the swimming team and, of course, played polo for four years while I was there. I had a little trouble with German. That was one of my bug bears. Although I stayed off probation pretty much of the time, I had to pass German 1, and I couldn't seem to master that language very well. I remember one time going down to play polo at the Rye Turf and Polo Club and I was suited, ready to get on my horse and so forth and word came down that I had flunked my exam so I couldn't play. I watched the game from the sidelines. But, in spite of German, I had a wonderful time in college.

After I went to work on the dredge, I was staying at my grandmother's place at Pearl City Peninsula. It was a lovely place and I could go to work by boat or by car being at Pearl Harbor. I had never been to a yacht club dance. The yacht club was right next to us. One night I decided I'd go, went and met Bobbie my wife, who was visiting here with her brother.

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D: We were discussing at our last meeting when I met my wife. This was at the first and last dance that I attended at the Pearl Harbor Yacht Club. We had a lovely home next to the Yacht Club that belonged to my grandmother and, for

some reason, I never had attended the Yacht Club dances. However, this particular night I did go. Fortunately, Harriet, whose nickname is Bobbie, was at that dance as the guest of some of my friends in Honolulu who introduced me to her.

That was the beginning of a three or four day courtship as she was only going to be here that time before leaving for her home in Florida.

S: That sounds rather reminiscent of your father's meeting with your mother, doesn't it?

D: Yes, they had very much the same kind of rapid courtship. My wife-to-be was down here with her brother on a visit with some friends that he had known in college. He had gone to Princeton.

After two or three months, I decided that this was for real and that I'd better do something about it before I lost her. I took some time off from my dredging operation and flew to Florida and announced that I couldn't take too much time and, therefore, would she marry me and if so, could we make it within a month's time? My mother-in-law almost fainted to think of moving back to their home in New Jersey and putting together a wedding within one month.

S: Had you corresponded frequently with her during these couple of months?

D: Oh, yes. We had corresponded continuously, but you know absence makes the heart grow fonder for somebody else, and I was afraid that this might happen, so I wanted to get it done. That was a little over fifty years ago, so I guess I was lucky. So much for that.

S: Tell me a little bit about the wedding.

D: We were married in New Jersey and we had a very large group of both my friends from college and, of course, Bobbie's friends from the East. My whole family were there including my sister and my two brothers; they were bridesmaid and ushers. We had a lovely honeymoon at my father-in-law's place up in the Adirondacks and then came back for an early polo practice in Hawaii.

Bobbie had never seen a polo game and her first vision was of my horse going down with me and breaking both wrists. That was not a happy start for polo, which was my love.

My father raised most of our polo ponies, as he had learned that you couldn't buy good polo ponies. He started a ranch down at Mokuleia, which was a family ranch, and started raising polo ponies there.

Some of those that we raised, three to be exact, went to play in England for the American team. One of them, particularly, I had had while I was in college at Harvard, and later sold and went to England to play in the Internationals. My father, Jack Walker, Jimmy Castle and my brother Gay and I made up the Oahu team at the end of the period, which was the year before the war started.

Of course, when the war came, we sold all of our horses to the Marines for \$150, because there was no way that we could import feed to feed them and so forth. Polo, for the time being, was very dead. My brother Ben and Gay also played.

When I returned after our marriage, I was still working on the dredge where I later became superintendent of dredging at Pearl Harbor for the Navy, which time was when the war started. At that time, I was superintendent of dredging with three dredges at Pearl Harbor. That was a very exciting time, as you can imagine.

S: We covered the World War II days during the first interview, so could you tell me something now about the development of Ala Moana Park and then Ala Moana Shopping Center.

D: Ala Moana Park was my father's dream; this was a long time before the shopping center. Ala Moana Park had been a city dump and it was his conception of creating a park there and, of course, moving the dump so that a park could be created. Sometime much later than that, the concept of building a shopping center came to mind. This was one of my dreams of some time.

S: I believe that you were back on the mainland around 1934 and had stopped in Kansas to see one of the first shopping malls.

D: Yes, I had read about the first shopping center that had ever been created, which was in Kansas City, so I stopped there and this was what really gave me the idea of creating the Ala Moana Center. The center was on fifty acres of swamp land that had been filled by the Army during the war.

S: In talking about Ala Moana, I believe that you had this idea for a number of years, but it really didn't take place until after the war. You had leased the land to the Army during the war.

D: Yes, Ala Moana at that time had been partially filled. When I say Ala Moana, I mean what is now the Ala Moana Center. The Army was anxious to secure a large storage area. We made an agreement with them that they would fill the land

and use it for nothing, our thought being that we didn't want them to condemn it; we wanted it when the war was over and we would pay them for the fill, which was what we did.

We then had fifty acres of white coral fill with nothing on it and what to do with it. It was my trip to Kansas City that gave me the idea of creating a shopping center. This was to be built in two sections; the first section included Sears Roebuck and down to what was then McInerny's. That was the first half; the second half was to be built in five years. Well, it didn't need five years because it was successful really from day one. The pressures by J. C. Penney and Liberty House were such that we went ahead in about three years to build the second half, which was the final major construction of Ala Moana Center.

S: I think there was kind of an interesting story about how Sears was moving from their Beretania Store and they had to do something with that space that wasn't competitive.

D: Well, yes. In order to really start the center we needed a major department store. Having tried for some time to get a mainland department store or Liberty House or Sears to be the key at the ewa end of the shopping center, we finally talked Sears into making a deal whereby we would buy the Sears building and build them a store at the ewa end of the shopping center. The condition was though that we could not sell the Sears store that we acquired on Beretania Street unless we agreed not to sell it to some other competitive department store.

We were most fortunate in that at that time the Police Department was looking for a larger space and as the Sears store was located virtually in the center of the population of the island of Oahu, we were able to sell the Sears store to the Police Department. That helped us a great deal in creating the financing of the Ala Moana Center.

S: That seemed to work out well for everybody.

D: I think it did. Of course, at that time the Sears store was pretty large for the Police Department, but as it's grown it now seems pretty small and, of course, lacks parking, which was the real reason that Sears wanted to move from there to the new Ala Moana Shopping Center.

S: When you first approached your father with this idea of the shopping center, how did he feel about the whole concept?

D: Of course, it was new, but my father was a person of great vision and he could see the need for such a center and the location was seemingly a perfect location, sort of halfway between downtown Honolulu and Waikiki. He was the

easiest member of the Company to sell on the idea of developing it. There were some others who weren't quite so enthusiastic, as I can well understand. It meant really betting the Company because at that time the Hawaiian Dredging Company didn't have \$35 million to spend on the development of even half the center. It was a major move on our part and, of course, there were always some who said it wouldn't succeed and others who were just as enthusiastic as we were. That really is the story of the Ala Moana Shopping Center.

S: I think you said that the second phase was to be completed within five years, but because of the success of the first phase that got moved up considerably.

D: That got moved up considerably because we were threatened by J. C. Penney and others that they would go somewhere else unless we were willing to go right ahead with the second phase. We were able with Penney's help and Liberty House to finance the second phase then, so we went right ahead with that in about three years instead of waiting five years.

S: I'm sure that you knew this was going to be a success, (laughs) but did you have any idea of what a success it would be?

D: Of course, any of these things are a gamble of sort. I wasn't so positive and, of course, every time someone was negative about it, it was worrisome that there were some who thought that it wouldn't be a success. It was something that you couldn't tear down if it wasn't a success; you were stuck with it, so it was a big gamble at that time. Of course, it grew into something that was far more exciting and profitable than anything that we had conceived of. I think one of the interesting things about it was that in our plan we had thought that tourists would spend very little at the center. As it turned out, the tourist business has been a very large contributor to the success of the center.

S: Speaking of tourism, I'd like to have your view on the industry that we have come so much to rely on.

D: Speaking of tourism, I feel very strongly that it certainly is the great future for Hawaii and the need for all of us living here in Hawaii to recognize the climate, the location of the Islands and the aloha spirit are what makes Hawaii the successful tourist center that it is. I feel that everyone living here should remember that they can contribute a great deal to the success of Hawaii as a tourist center by expressing the aloha spirit to visitors. I think that's something that every citizen should recognize, that they can contribute by expressing the aloha spirit.

S: I think that the Hawaii Visitors Bureau and other groups are really attempting to do a lot of education of the young children here to get across the idea that the jobs aren't demeaning, that there is room for them in the tourist industry and that they should think in terms of it as a career, not just something that they have to tolerate.

D: No question about it. The tourist business, until something else comes along that's better, is the great white hope for the development of Hawaii. We have to think in terms of developing these Islands because we have children coming along that are looking for jobs and growth is the only way that we're going to be able to furnish jobs for our children. It's a shame to think of so many of our children going to the mainland looking for work because there aren't jobs available here in Hawaii.

So tourism is something that all of us living here in Hawaii should be thinking about, and thinking about how we can help it because in helping development, creating more tourism, we create more jobs and it means that more of our children will have jobs when they're ready to go to work.

S: I believe that your father had some excellent ideas on educating young people.

D: Yes, one of his great thoughts was that the University of Hawaii could become a major botanical center of the world where a lot of the young people could become trained as park superintendents, as park developers, in connection with training them in the development and running of parks, so that they would be wanted all over the world to be offered jobs in that connection and using our parks as the training area for the development of these young people.

I always thought that was a wonderful idea that the University of Hawaii could be known as the top creator of landscape architects in the world, so that people from all over the world came to Hawaii and with our climate and our parks they could use that in the development of our parks, learn a lot about parks and development and so forth and offer very worthwhile jobs to our young people.

S: It seems to me that the University of Hawaii has a golden opportunity to develop certain obvious areas such as the one you mentioned, along with oceanography, tourism industry management instead of pushing for these terribly expensive law and medical schools.

D: I feel that very strongly. In other words, I think we should be looking at what is needed for our young to educate them to fill the necessary jobs here. As you mentioned, there's oceanography, there's agriculture, there's tourism, hotel training and so forth. I don't believe that our

university should be competing with the University of California or Stanford or Harvard or Yale. I think it could be a unique university in which specialized things such as landscape gardening, and that sort of thing could be developed by importing top people as professors to train and use our parks as training grounds for our young. It would be a most exciting thing and create something unique in the world.

We have on the island of Kauai, the [Pacific] Tropical Botanical Garden and there again is a place where university students could go and spend time and be educated on tropical growth and so forth. It's a pretty exciting idea and although it failed to materialize in my father's time, the idea is still there and is something I think the university should seriously consider.

S: Well, since we seem to be growing more and more dependent on tourism--the latest figures are five and a half million visitors last year--it plays a tremendous role in our economy. The economy is also being strongly supported at this point by the influx of Japanese money. I think the latest figures on that were something like a billion dollars. How do you feel about the huge amounts of Japanese money coming in here and the fact that these people are taking over the hotels and so much real estate?

D: I look back many, many, many years ago, long before my time, when the United States was being developed. Texas was an example. The English came over in large numbers, bought large tracts of land for ranching. Nobody was worried about whether England was going to take over Texas or was going to take over the country. They played an important part at that time. Today there's very little English money invested, I believe, in Texas. The same thing, I think, is true here in Hawaii.

We have a situation, a unique situation, where the yen is very strong and the dollar is weak and the opportunity to get new money is here. I don't think it's important whose money it is as long as they're going to develop in a way that enhances Hawaii as a destination visitors' place; a place where visitors from all over the world will come because of the beautiful hotels and the development that has taken place. Whose money it is doesn't really make any difference at all or who owns them doesn't make any difference.

S: I think one of the aspects that people are concerned about is that our local companies and corporations over the years have been extremely generous to the community. I get the feeling that people think this will not follow with the Japanese money, that they will not contribute to the community the way our people have done.

D: Well, that's to be seen. I find the Japanese people very interested in contributing if they're approached properly and they understand that they're part of this community and in order to help the community that they have to participate in the Aloha United Fund and all these other things that are so important. I think it's just a question of education if there's any lack of willingness on the part of the investors from Japan to donate. It's purely a question of salesmanship to make them realize that if they're going to be a part of Hawaii, that they have to participate in those things that are important. They're important to them, too.

If you own a hotel, you have to think in terms of what your visitors are going to do when they're here. A lot of them can sit on the beach for twenty-four hours a day for two weeks or three weeks, but there has to be something else. This is where the Bishop Museum, Sea Life Park, that sort of thing--I think we have to think in terms of creating something for tourists to do besides just sitting on the beach and getting sunburned.

I've had an idea--of course, I'm interested in horses--and although there are a lot of people who are against horse racing, and I'm not particularly in favor of horse racing on the island of Oahu because it would interfere perhaps with business, but I think that our outer Islands would be ideal areas where legalized parimutuel horseracing could be very beneficial, both to the ranchers and to developing again a new industry which would be entertainment for visitors for Hawaii, Maui and Kauai. I think this is something that is worth thinking about.

We have the land for raising the race horses, we have the land for the development of race tracks, and when you think of racing, it isn't just a few people involved. It's a tremendous industry; it creates jobs for veterinarians, it creates jobs for feed stores for the horses, it creates all kinds of jobs connected with horse racing. It doesn't mean that it's going to bring in a very large group of bad element by any means. It hasn't been true in California; that hasn't brought in a bad element because of horse racing, but it's created a tremendous revenue for the state of California. And a tremendous number of jobs. I don't think a lot of people give that as much thought as they should.

S: I believe that you were very active in community affairs. Would you tell me something about that?

D: I worked with the Aloha United Fund many, many years ago when I was asked to be the chairman of the drive. It was a successful drive, the first one in twenty-one years, and the reason that it was successful, I believe, was that we were able to get the labor unions and the Oriental community to

recognize that the Aloha United Fund was doing something for everybody.

They couldn't depend on just a few wealthy haoles to fund it. It meant everyone had to contribute because those that were getting the benefit of it was everybody that was in need. For that reason, it was a success and from then on it's been a success because of everyone's participation. It doesn't matter how little you give, it's the importance of recognizing what the Aloha United Fund does for the community and for those that are in need.

It has historically been difficult to get money from lawyers, doctors and university professors. Why, I don't know, because for the very reason that others contributed, they should contribute. They're making a great deal of money. I think they should contribute equally along with everybody else. A few people can't do it. It has to be a community-backed idea to help those that are in need of help. It's expensive and it requires everyone contributing something, no matter how little.

S: Have you any other favorite groups that you've worked with over the years?

D: Yes, I've worked with quite a few organizations over the years. I was very interested in raising money for the Bishop Museum. The Bishop Museum is a unique museum where again, it seems to me, there's an opportunity to bring together the Pacific in one area; all the wonderful Pacific islands, along with Australia and New Zealand and, of course, Japan and Indonesia and all of that. To bring it to one location where again the tourists who come to Hawaii would go to the famous Bishop Museum to see Polynesia put together in one place.

I worked very hard trying to raise money there, but there are so many needs for donations that it's very hard to raise money. There is no very large capital available for donations in Hawaii, so it means that everybody really has to contribute. It's no longer the idea that just the Big Five and just the Hawaiian Electric and Hawaiian Telephone can carry the whole weight. It's too big for that and it's too important for that.

The creation of the Pacific Tropical Botanical Garden on the island of Kauai--very important to bring people here and give them some reason for coming other than just the wonderful climate and the beaches and so forth. Those two things that I've been interested in, the Bishop Museum and the Pacific Botanical Garden, are two things that should be backed by the community very strongly.

Along with those, Iolani Palace is another one that I've been very interested in because it's the only royal palace in

the United States. It's a fascinating job, trying to get back all of the furnishings that were originally there to make it a museum in itself, so that people would come from all over the world to see the only American royal palace.

S: I think they've done an outstanding job on that so far.

D: They've done a wonderful job on it. As I understand it, they have records of where almost everything that was auctioned at the time of the distribution is today and little by little it keeps coming back, so that the palace someday hopefully will be not only physically restored, but the art objects within the palace will be replaced. I have great hopes that some day the governor's mansion [Washington Place] will be made a part of the restoration. There are a lot of very interesting things there. Perhaps there are other places where the governor's home could be located. There are things like this that I think are a great challenge to young people in the future and should be developed and worked on.

S: Because they would not only be something different for the tourists to come and appreciate, but the community itself; this is what we are and this is where we're from.

D: Absolutely. I guess there are a great many in the community who never spent much time at the Bishop Museum or the Iolani Palace or never been to the governor's mansion to see the important things of what happened in the past.

S: I think the Family Day at Bishop Museum is a good start. They've been drawing crowds out there.

D: Yes. I think it's terribly important. The Museum needs help because it needs money not only to physically maintain and create areas for exhibitions and so forth, but the need for really funding it, so that it can continue without depending on annual drives for money.

S: We seem to have so many annual drives because we have a number of things like the symphony that require this funding.

D: There are and then when you add to that the political requests, political demands, it makes it impossible really for a few people to underwrite these things. It's got to be a whole community behind it, all contributing in a small way, a medium way or a large way what they can to help maintain and create these centers of interest. As you say, not only for tourism, but for our local people to better understand the past.

S: They're great sources of enjoyment for them if they would take the time to realize it.

D: There's no question about it, but it's something that has to be worked on constantly and put before the public constantly, so that they will recognize the needs and why the needs.

S: I also wanted to ask you about your family, your children and grandchildren, and if anybody's still here in Hawaii. I know you've had this wonderful fifty-year marriage.

D: Yes, and I think one of the most amusing things about it is that we now live at La Pietra Circle, which was the front yard of the family's home at La Pietra, and we love it there and it's a very nice community. As far as my children are concerned, we only had the two daughters. One lives in New York, Gail, married to Fred Williams who's in the investment business. They live in Long Island and have a place in Florida. They have a daughter, Karen, who is now getting on and who, hopefully, will be married soon. Unfortunately, my daughter was unable to have any more than just the one child.

My other daughter, Heather, lives in San Francisco. Her first husband and his son with her were in an airplane crash in which he was the pilot. He was killed and his son was killed. At that time they had a son who was only a year old and she's never had any more children. Just recently she's been remarried. We only have two grandchildren, a grandson and a granddaughter.

S: Do they come to Hawaii to visit often?

D: Yes, my granddaughter's father lives here in Hawaii. Ben Baldwin, Gail's first husband, lives here in Hawaii, so Karen comes out here. She was out here last Christmas. My children come out whenever they can. Of course, New York's a long way. We try to spread our time with both of them. We spent Christmas with Gail in Florida and then New Year's with Heather at the ranch in California.

S: But the travelling isn't quite as bad as it was fifty years ago when you were first married and brought your bride out to this isolated island.

D: When I think of my grandfather in perhaps 1887 going all the way to England to try and finance the purchase of the Campbell estate, it's unbelievable. Not only the long steamer trip, it was unbelievable. England was so far away. Of course, communications and travel have changed so. Every time a new plane is created that's a little bit faster, it brings New York that much closer to Honolulu and Japan that much closer.

END OF TAPE 2/SIDE 1

D: I am very hopeful that, economics dictating, in a few years we'll have supersonic aviation. There's been a lot of controversy over the noise, the sound barrier and so forth, but just recently the Concorde, the British Concorde, flew to Hawaii and then the French Concorde flew to Hawaii and there's no reason they can't fly sonic until they get far enough away from shore and then go supersonic to reach the Islands.

When you think of the Concorde getting here in an hour and forty-five minutes from San Francisco; what it would do for those living in Europe to come here; what it would do for people living in New York to come here.

S: I understand that it's still the economics of the thing that's holding it back.

D: I think there's no question about it. I think the Concorde today is not an economic airplane and in order to build one would require billions of dollars. But there's no sense of building a supersonic plane if those that are against everything, (and there are some that are) would then make it impossible to fly. You've got to recognize that if we're going to get supersonic aviation, you're going to have to put up with going through the sound barrier. Now that's not something that lasts forever; it's a boom as it goes by. When we begin to accept that, then we accept the concept of supersonic flight. Again, the speed of the Concorde today is nothing to what it will be, or could be, twenty years from now. It would be very simple to go up to San Francisco for breakfast and be home for lunch.

S: I think we've covered a good bit of what we planned.

You've certainly had a wonderful marriage and a wonderful life here in Hawaii and I have a feeling that you're like so many other people I've talked to--that you just can't imagine living any place else.

D: No, there's no place else in the world like Hawaii and I've lived a very exciting life. I wouldn't want to change very much. I think the only regrets are things I haven't done, rather than things I've done.

S: That would be nice if we could all say that. (laughs)

D: It's been a very interesting life and a very busy life, fortunately. Now that I'm retired, they say, I have great interest in my little ranch up in California where I raise racing quarter horses. I am very busy with the breeding of quarter horses and the developing of foals. I sell most of them. I race a few myself to use as replacements as mares

babies, you're planning to mate them with stallions all over America. We breed fifteen to twenty different stallions from Kentucky to Florida to Oklahoma to Texas to California and send the mares all around the country in order to try to create something that will run just a little faster. (laughs)

S: How much time do you spend in Hawaii? Are you back and forth all the time?

D: I spend most of my time here, but as I've had to retire from various boards that I was on on the mainland, there hasn't been the need for as much flying as there was. However, if I have a horse running in a big race, I sometimes go up for the weekend to see him or her run.

Just recently I went up for the weekend and met Bobbie and Gail who were in Arizona. They met me in Los Angeles and we went to the finals of the Golden State Futurity, which we won with a filly that we had raised ourselves, which was very exciting.

S: I would say so. Was that Cash Perks?

D: That's right. She was by Dash for Cash out of a mare called Perks that I bought a year or two ago. That's how I spend a lot of time now. It takes a lot of time studying the breeding and the background and again it has to be a business so that the IRS isn't down my throat. You plan two or three or four years ahead of time in order to insure that you make a profit at least two years out of seven, which is the rule.

S: Well, I'm sure that keeps you active trying to keep up with that.

D: It takes a lot of planning because you have to plan at least three years ahead of time from the time you breed a mare until the time the baby is old enough to run.

S: This is something that was practically hereditary for you.

D: It was. Starting with the polo ponies and I helped my dad with the breeding of the polo mares to create polo ponies. Of course, with polo ponies you waited until they were five, six or seven years old until you were able to play them. With race horses it's two years old and that's when they're ready.

S: I thank you so much for your time.

END OF TAPE 2/SIDE 2

Lowell Dillingham died August 14, 1987.

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THE WATUMULL FOUNDATION ORAL HISTORY PROJECT

The Watumull Foundation Oral History Project began in June of 1971. During the following seventeen months eighty-eight people were taped. These tapes were transcribed but had not been put in final form when the project was suspended at the end of 1972.

In 1979 the project was reactivated and the long process of proofing, final typing and binding began. On the fortieth anniversary of the Watumull Foundation in 1982 the completed histories were delivered to the three repositories.

As the value of these interviews was realized, it was decided to add to the collection. In November of 1985 Alice Sinesky was engaged to interview and edit thirty-three histories that have been recorded to mark the forty-fifth anniversary of the Foundation.

The subjects for the interviews are chosen from all walks of life and are people who are part of and have contributed to the history of Hawaii.

The final transcripts, on acid-free Permalife bond paper and individually Velo-bound, are deposited and are available to scholars and historians at the Hawaii State Archives, the Hamilton Library at the University of Hawaii and the Cooke Library at Punahou School. The tapes are sealed and are not available.

August 1987